



April 29, 2016

Mr. Robert deV. Frierson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Ave, NW
Washington, DC 20551

Legislative and Regulatory Activities Division
Office of the Comptroller of the Currency
400 7th Street, SW
Washington, DC 20219

Mr. Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Re: Joint Interim Final Rule; OCC: Docket ID OCC- 2016-0001; Federal Reserve Board: Docket No. R-1531; FDIC: RIN 3064-AE42

Dear Sir/Madam:

The California Bankers Association (CBA) appreciates the opportunity to provide comments on the agencies' referenced interim final rule. The agencies' action to expand eligibility for the 18-month examination cycle properly implements Section 83001 of the Fixing America's Surface Transportation Act (FAST Act) that Congress enacted last year. As a result of the agencies' action, both CAMELS 1 and 2 rated institutions with up to \$1 billion in assets are eligible for the expanded exam cycle. We acknowledge and are grateful that the agencies exercised their discretion to set the asset threshold for CAMELS 2 institutions at the higher asset range of \$1 billion.

CBA concurs that, as long as financial institutions satisfy all the other criteria to be eligible for the expanded exam cycle, increasing the asset size thresholds as set forth in the interim final rule will not negatively affect institutions' safe and sound operations or the ability of the agencies to supervise them.

This change is one that CBA has long supported, and we appreciate that the agencies have taken this important action. If you have any questions, please do not hesitate to call.

Sincerely,

A handwritten signature in black ink, appearing to read 'Leland Chan', with a stylized, cursive script.

Leland Chan
General Counsel